# IN THE UNITED STATES DISTRICT COURT OF APPEALS RECONNICED FOR THE FEDERAL CIRCUIT

SOVERAIN SOFTWARE LLC,

Plaintiff-Appellee,

V.

Some and the United States District Court for the Eastern District of Texas

Defendant-Appellant.

Soveral No. 2011-1009

Red. Cir. Appeal No. 2011-1009

States District Court for the Eastern District of Texas

Civil Action No. 6:07-cv-511

NEWEGG'S OPPOSITION TO SOVERAIN'S MOTION FOR FEDERAL CHROWN EXTENSION OF TIME TO OPPOSE AVON PRODUCTS' 27 2010 MOTION FOR LEAVE TO FILE AMICUS CURIAE BRIEF

JAN HORBALY CLERK

Defendant-Appellant Newegg Inc. ("Newegg") hereby opposes Plaintiff-Appellee Soverain Software, LLC's ("Soverain") Motion for Extension of Time to Oppose Avon Products, Inc.'s ("Avon") Motion for Leave to File an *Amicus Curiae* Brief. Newegg opposes this motion for two reasons: (1) Soverain has no proper basis to seek an extension—an extension is not required for any substantive reason; and (2) an extension would only unnecessarily delay the Court's proceedings, substantially prejudicing Newegg.

### I. There Is No Legitimate Reason For An Extension

Avon's filed its motion on December 14, 2010. That gave Soverain until December 24, 2010 — 10 full days — to oppose Avon's motion. Soverain has and



had ample time to thoroughly respond to Avon's motion before the start of the upcoming holiday season.<sup>1</sup> This is especially true given that Avon's motion is a simple, straightforward request for leave to file an amicus brief. It is not a complicated motion.

In the span of a mere five pages (two of which are simply lists of disputed claim terms), Avon presents two narrow and clear-cut issues: (1) that it has an interest in the present appeal because it is currently litigating with Soverain in the Eastern District of Texas regarding Avon's alleged infringement of the same patents at issue in this appeal; and (2) that Avon's amicus brief is necessary to raise certain claim construction issues Newegg has not independently raised.

It must be emphasized that Soverain seeks an extension to oppose Avon's motion for leave to file the amicus curiae brief, not the amicus curiae brief itself. Soverain's opposition need not delve into the substantive claim construction issues per se. Rather, to the extent Soverain disagrees with Avon's general arguments supporting leave to file an amicus curiae brief, Soverain does not need more than ten days (or more than a few pages) to fully present its counterpoints. Newegg respectfully submits that the time and effort put into the motion for an extension

<sup>&</sup>lt;sup>1</sup> Soverain's only reason presented for seeking extension is the upcoming Christmas holiday. Because the original deadline fell on Friday, December 24 (a federal holiday), however, Rule 6 already accommodated Soverain by extending the deadline until Monday, December 27.

could have instead been used to prepare and file Soverain's opposition to Avon's motion, avoiding the need for any extension.

## II. An Extension Threatens Delay, Which Would Prejudice Newegg

Soverain's extension request is but the latest threat to delay these proceedings that Newegg has faced. It comes on the heels of Jones Day's request to withdraw as Soverain's counsel — a request that, though vigorously opposed by both Newegg and Soverain, if granted, threatens delay as Soverain would be forced to find new counsel. Every instance of delay in the proceedings of this case causes increased prejudice to Newegg.<sup>2</sup>

Newegg swiftly filed this appeal specifically to seek the prompt relief to which it is justly entitled. During any delay, Newegg must continue to carry on its books: (1) a \$2.5 million judgment; (2) substantial ongoing royalties increasing daily; (3) additional costs awarded; and (4) the potential for a new trial. These are significant factors for Newegg to consider in its operational and financial planning. Newegg, its officers, and investors are entitled to a prompt resolution of these factors in accordance with the Federal Circuit's current schedule and the deadlines imposed by the Federal Rules of Appellate Procedure. Delay will impact Newegg's ability to make critical business decisions such as adding jobs or making investments to grow its business or innovate its technology.

<sup>&</sup>lt;sup>2</sup> See Newegg's Opposition to Jones Day's Motion to Withdraw as Counsel for Soverain (filed on November 24, 2010).

**CONCLUSION** 

Soverain has no proper basis to seek an extension. The extension is not required for any substantive reason, and will only unnecessarily delay this Court's proceedings, substantially prejudicing Newegg. Soverain's motion for extension should be denied.

Respectfully submitted,

Dated: December 22, 2010

Kent E. Baldauf, Jr. David C. Hanson

Daniel H. Brean

THE WEBB LAW FIRM 700 Koppers Building 436 Seventh Avenue Pittsburgh, PA 15219

T: (412) 471-8815 F: (412) 471-4094

Claudia W. Frost Pillsbury Winthrop 2 Houston Center 909 Fannin, Suite 2000 Houston, TX 77010 Telephone: (713) 276-7648

Counsel for Newegg Inc.

#### **CERTIFICATE OF SERVICE**

This is to certify that on December 22, 2010, copies of the foregoing Opposition to Soverain's Motion for Extension of Time to Oppose Avon's Motion for Leave to File *Amicus Curiae* Brief were served via overnight mail upon the following:

#### Counsel for Soverain Software, LLC:

Kenneth R. Adamo

Jones Day

North Point

901 Lakeside Avenue

Cleveland, Ohio 44114-1190

kradamo@jonesday.com

Thomas L. Giannetti

Jones Day

222 East 41<sup>st</sup> Street

New York, NY 10017-6702

tlgiannetti@jonesday.com

Paul J. Ripp
Williams Montgomery & John LLC
Willis Tower
233 South Wacker Drive, Suite 1600
Chicago, IL 60606
pjr@willmont.com

#### Counsel for Avon Products, Inc.:

Michael A. Nicodema
Gaston Kroub
Greenberg Traurig, LLP
MetLife Building
200 Park Avenue
New York, NY
nicodemam@gtlaw.com
kroubg@gtlaw.com

Daniel H. Brean

Attorney for Newegg Inc.

#### UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

# Soverain Software, LLC v. Newegg Inc. 2011-1009

#### **CERTIFICATE OF INTEREST**

Counsel for Newegg Inc. hereby certifies the following:

1. The full name of every party or amicus represented by me is:

Newegg Inc.

2. The name of the real party in interest (if the party named in the caption is not the real party in interest) represented by me is:

Not Applicable

3. All parent corporations and any publicly held companies that own 10 percent or more of the stock of the party or amicus curiae represented by me are:

None

4. The names of all law firms and the partners or associates that appeared for the party or amicus now represented by me in the trial court or agency or are expected to appear in this court are:

Edward R. Reines, Weil, Gotshal & Manges LLP
Kent E. Baldauf, Jr., The Webb Law Firm
David C. Hanson, The Webb Law Firm
Daniel H. Brean, The Webb Law Firm
John W. McIlvaine, III, The Webb Law Firm
Richard Sayles, Sayles Werbner
Mark Strachan, Sayles Werbner
Claudia Wilson Frost, Pillsbury Winthrop Shaw Pittman LLP
Jeremy Gaston, Pillsbury Winthrop Shaw Pittman LLP
Trey Yarbrough, Yarbrough & Wilcox, PLLC
Eric H. Findlay, Findlay Craft
Charles E. Juister, Marshall Gerstein & Borun
Julianne Hartzell, Marshall Gerstein & Borun

Matthew C. Neilsen, Marshall Gerstein & Borun Scott A. Sanderson, Marshall Gerstein & Borun Thomas L. Duston, Marshall Gerstein & Borun

December 22, 2010

Daniel H. Brean

Attorney for Defendant-Appellant

Dail A. Pen

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Filed: 12/27/2010



Daniel H. Brean Attorney at Law

700 Koppers Building 436 Seventh Avenue Pittsburgh, PA 15219

412.471.8815 412.471.4094 webblaw@webblaw.com

December 22, 2010 VIA FEDERAL EXPRESS

Mr. Jan Horbaly Clerk of Court United States Court of Appeals for the Federal Circuit 717 Madison Place, N.W., Room 401 Washington D.C. 20439

REGEIVED

DEC 3.7.7010

Unit

Re: Soverain Software, LLC v. Newegg Inc., No. 2011-1009

Dear Mr. Horbaly:

Enclosed please find for filing one original and three copies of Newegg's Opposition to Soverain's Motion for Extension of Time to Oppose Avon Products' Motion for Leave to File *Amicus Curiae* Brief in the above-referenced matter.

Also enclosed is one additional copy of the foregoing document, which we respectfully request be time-stamped and returned to us in the enclosed pre-paid envelope.

Please contact me if you have any questions.

Very truly yours,

Dif H. Bu

Daniel H. Brean

DHB/jmnb Enclosures

cc:

Thomas L. Giannetti, Esq. Kenneth R. Adamo, Esq.

Paul J. Ripp, Esq.

Michael A. Nicodema, Esq.